

*Annex III*

TAB

ONE METHOD OF OPERATION

The steps and mechanisms involved in the National Estimates process briefly are the following: Most NIEs are initiated by request of policy makers. These requests are made either by direct requests for specific papers, or indirectly by reviewing proposed production schedules prepared by the Board of National Estimates on the basis of previous experience and world trends and developments. Tab H which recapitulates ONE production for FY '52 and FY '53 also shows the origin of the requests for Estimates, with explanatory detail.

The IAC or the DCI on its behalf must approve the scheduling of a National Estimate. The next step is the preparation of Terms of Reference for the Estimate which define the subject to be covered, pose the important questions which must be answered and ask these in such form as to draw out the necessary intelligence. The terms of reference are drafted in ONE and then are submitted to the IAC agencies for review. The IAC representatives then meet with the Board for discussion. At this meeting agreement is reached on the final text of the terms of reference, as well as on the allocation of responsibility and deadlines for the production of the various departmental contributions. The contributions from all sources are drawn together by the Estimates Staff of ONE into a draft estimate, using task teams. The draft estimate is submitted to the Board of National Estimates for review. In this phase, ONE does more than merely piece together the Agency contributions. It seeks to integrate them into a cohesive estimate, evaluating them on the basis of its own background, adding material from its own sources and drawing estimative conclusions. The next stage is that of full scale agency coordination. After the IAC agencies have had an opportunity to review the draft estimate, the Board of National Estimates meets with the IAC representatives and discusses the draft, endeavoring to resolve inter-agency differences of opinion. The Board then submits its estimate to the IAC for final review and approval.